

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Reorganized Debtors.

)
) Chapter 11
)

) Case No. 24-12480 (LSS)
)

) (Jointly Administered)
)

) **Obj. Deadline: July 24, 2025 at 4:00 p.m. (ET)**
) **Hearing Date: *Only if Objections are Filed***
)

**SUMMARY OF THIRD MONTHLY
FEE APPLICATION OF KIRKLAND & ELLIS LLP
AND KIRKLAND & ELLIS INTERNATIONAL LLP, ATTORNEYS
FOR THE DEBTORS AND DEBTORS IN POSSESSION, FOR THE
PERIOD FROM APRIL 1, 2025 THROUGH AND INCLUDING APRIL 30, 2025**

Name of Applicant:

Kirkland & Ellis LLP
Kirkland & Ellis International LLP

Authorized to Provide Professional Services to:

Debtors and Debtors in Possession

¹ The Reorganized Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Reorganized Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Date of Retention: April 1, 2025 effective as of February 14, 2025

Period for which compensation and reimbursement is sought: April 1, 2025 through and including April 30, 2025

Amount of Compensation sought as actual, reasonable, and necessary: \$6,323,626.00 (80% of \$7,904,532.50)²

Amount of Expense reimbursement sought as actual, reasonable, and necessary: \$25,079.77

This is a(n) X monthly ___ interim ___ final application

**Summary of Hours by Professional Billed
From April 1, 2025 through April 30, 2025**

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Max Joseph Abramson	Associate	Litigation - General	N/A	\$865.00	32.60	\$28,199.00
Matt Advani	Associate	Taxation	2023	\$1,095.00	23.50	\$25,732.50
Michael Angarola	Associate	Litigation - General	2024	\$865.00	60.60	\$52,419.00
Will Atnipp	Associate	Litigation - General	2024	\$1,025.00	33.50	\$34,337.50
Devika M. Balaram	Associate	Litigation - General	2021	\$1,295.00	46.10	\$59,699.50
Michael Beauchamp	Associate	Restructuring	2023	\$1,065.00	47.10	\$50,161.50
Anna Therese Beavers	Associate	Litigation - General	2024	\$865.00	32.10	\$27,766.50
Magdalene Beck	Associate	Litigation - General	2024	\$865.00	25.30	\$21,884.50
Ziv Ben-Shahar	Associate	Restructuring	2022	\$1,195.00	217.60	\$260,032.00
Sloane Bessey	Associate	Restructuring	2024	\$1,065.00	75.90	\$80,833.50
Jacob E. Black	Associate	Restructuring	2021	\$1,375.00	73.10	\$100,512.50
Afi Blackshear	Associate	Litigation - General	N/A	\$1,025.00	42.10	\$43,152.50
Keaton Blazer	Associate	IP Litigation	2014	\$865.00	9.30	\$8,044.50

² K&E voluntarily reduced its fees and expenses by \$159,780.52 in the Fee Period. Consequently, K&E does not seek payment of these fees and expenses in this Monthly Fee Statement.

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Socrates L. Boutsikaris	Associate	IP Litigation	2021	\$1,345.00	5.80	\$7,801.00
Danny Brown	Associate	Litigation - General	2022	\$1,185.00	52.60	\$62,331.00
Caroline Buthe	Associate	Restructuring	NA	\$880.00	76.30	\$67,144.00
Christopher Buxton	Associate	IP Litigation	2019	\$1,445.00	8.70	\$12,571.50
Henry Caldwell	Associate	Litigation - General	2018	\$1,445.00	70.90	\$102,450.50
Alexandra Card	Associate	IP Litigation	2024	\$865.00	0.50	\$432.50
Hacibey Catalbasoglu	Associate	Litigation - General	2024	\$865.00	27.70	\$23,960.50
Jacqueline Cloutier	Associate	Corporate - Capital Markets	2023	\$1,375.00	15.80	\$21,725.00
Seth M. Cohen	Associate	Litigation - General	2023	\$1,345.00	12.30	\$16,543.50
Aislinn Comiskey	Associate	Restructuring	2025	\$880.00	131.70	\$115,896.00
Caitlin Dean	Associate	IP Litigation	2018	\$1,465.00	15.80	\$23,147.00
Ashton Dubey	Associate	Litigation - General	2022	\$1,185.00	44.60	\$52,851.00
Carlos Estrada	Associate	Litigation - General	2023	\$1,025.00	52.20	\$53,505.00
Kaitie Farrell	Associate	Litigation - General	2021	\$1,295.00	23.10	\$29,914.50
Kai Michael Fenty	Associate	Taxation	2024	\$925.00	5.20	\$4,810.00
Rebecca Finley	Associate	IP Litigation	N/A	\$865.00	17.20	\$14,878.00
Julia Fletcher	Associate	Restructuring	2025	\$880.00	52.90	\$46,552.00
Garrett Fox	Associate	Litigation - General	2019	\$1,445.00	62.80	\$90,746.00
Rachel Golden	Associate	Restructuring	2023	\$1,195.00	177.60	\$212,232.00
Mara L. Greenberg	Associate	IP Litigation	2023	\$1,185.00	18.20	\$21,567.00
Belle A. E. Harris	Associate	Litigation - General	2023	\$1,025.00	29.30	\$30,032.50
Grace Hartnett	Associate	Litigation - General	2023	\$1,025.00	20.50	\$21,012.50
Tiffany Hu	Associate	IP Litigation	2024	\$865.00	31.90	\$27,593.50
Alex Ingoglia	Associate	Litigation - General	2021	\$1,345.00	27.20	\$36,584.00
Jeffrey M. Jacobsen	Associate	IP Litigation	2022	\$1,185.00	14.00	\$16,590.00

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Sarah Jones	Associate	Restructuring	2024	\$880.00	17.90	\$15,752.00
Olivia Kaufmann	Associate	Corporate - Healthcare	2023	\$1,195.00	3.20	\$3,824.00
Eric S. Kay	Associate	Litigation - General	2016	\$1,445.00	11.60	\$16,762.00
Michael Patrick Kenstowicz	Associate	Litigation - General	2016	\$1,445.00	10.70	\$15,461.50
Hunter C. Kodama	Associate	Corporate - General	2023	\$1,065.00	9.20	\$9,798.00
Joe Krisko	Associate	Antitrust / Competition	2024	\$880.00	25.20	\$22,176.00
Joshua Lacoste	Associate	Litigation - General	2024	\$1,025.00	6.50	\$6,662.50
Amiri A. Lampley	Associate	Litigation - General	2021	\$1,345.00	32.90	\$44,250.50
Michael D. Lehavi	Associate	Litigation - General	2023	\$1,025.00	45.80	\$46,945.00
Constantina Leodis	Associate	Corporate - Debt Finance	2023	\$1,195.00	21.60	\$25,812.00
Chris Leveroni	Associate	Litigation - General	2022	\$1,025.00	45.00	\$46,125.00
Maddison Levine	Associate	Restructuring	2021	\$1,465.00	245.10	\$359,071.50
Cara Li	Associate	Corporate - M&A / Private Equity	2020	\$1,195.00	154.20	\$184,269.00
James S. Lu	Associate	IP Litigation	2024	\$865.00	10.30	\$8,909.50
Joshua J. Lustig	Associate	IP Litigation	2023	\$1,025.00	23.90	\$24,497.50
Dominick Vito Manetta	Associate	Restructuring	2025	\$880.00	69.70	\$61,336.00
Julia Mark	Associate	Corporate - General	2025	\$880.00	108.00	\$95,040.00
Mallory Elise McKenzie	Associate	ECEB – Labor / Employment	2018	\$1,525.00	7.70	\$11,742.50
Briana McNamara	Associate	Litigation - General	2023	\$1,185.00	13.90	\$16,471.50
Makala McNeil	Associate	Litigation - General	2023	\$1,185.00	17.10	\$20,263.50
John Merle	Associate	Litigation - General	2025	\$865.00	13.00	\$11,245.00
Brian Messing	Associate	Restructuring	2024	\$1,065.00	150.60	\$160,389.00

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Sofia Michael	Associate	Litigation - General	2024	\$865.00	14.90	\$12,888.50
Brent Daniel Mobbs	Associate	IP Litigation	2023	\$1,025.00	76.70	\$78,617.50
Annika Morin	Associate	ECEB - Employee Benefits	2022	\$1,195.00	6.00	\$7,170.00
Brian Nakhaimousa	Associate	Restructuring	2021	\$1,465.00	215.10	\$315,121.50
Srinithi Narayanan	Associate	Technology & IP Transactions	2023	\$1,065.00	48.00	\$51,120.00
Shane O'Connor	Associate	Litigation - General	2021	\$1,185.00	15.50	\$18,367.50
Sarah Osborne	Associate	Restructuring	2023	\$1,065.00	145.80	\$155,277.00
Austin Pennington	Associate	IP Litigation	N/A	\$865.00	48.20	\$41,693.00
Armando L. Prather	Associate	Litigation – General	2022	\$1,185.00	66.10	\$78,328.50
Emanuele Putrino	Associate	Litigation – General	2024	\$865.00	38.90	\$33,648.50
Joshua Raphael	Associate	Restructuring	2023	\$1,195.00	144.80	\$173,036.00
Maddison Malone Riddick	Associate	ECEB - Executive Compensation	2019	\$1,525.00	11.70	\$17,842.50
Chris M. Salvatore	Associate	Antitrust / Competition	2019	\$1,525.00	0.90	\$1,372.50
Michael James Sitcawich	Associate	Litigation - General	2022	\$1,025.00	7.90	\$8,097.50
Michael A. Sloman	Associate	Restructuring	2022	\$1,375.00	14.00	\$19,250.00
Gracie Smith	Associate	Litigation - General	2025	\$1,025.00	37.00	\$37,925.00
Eric J. Tarosky	Associate	Litigation - General	2023	\$1,025.00	73.40	\$75,235.00
Kyla Elise Taylor	Associate	Litigation - General	2021	\$1,345.00	63.00	\$84,735.00
Ishaan G. Thakran	Associate	Restructuring	2024	\$1,065.00	26.50	\$28,222.50
Samantha Tidwell	Associate	Litigation - General	2024	\$1,025.00	22.50	\$23,062.50
Megan Kiku Trick	Associate	IP Litigation	2024	\$865.00	18.20	\$15,743.00
Luz Tur-Sinai Gozal	Associate	Restructuring	2022	\$880.00	58.90	\$51,832.00

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Matthew Calloway Walker	Associate	Litigation - General	2023	\$1,890.00	68.00	\$65,572.00
Joe Walter	Associate	Litigation - General	2023	\$1,025.00	13.00	\$13,325.00
Brandon R. Weber	Associate	IP Litigation	2023	\$1,185.00	0.60	\$711.00
Christina Welch	Associate	Technology & IP Transactions	2021	\$1,375.00	12.90	\$17,737.50
Quin Wetzel	Associate	Restructuring	2023	\$1,065.00	113.50	\$120,877.50
Jiange Xiao	Associate	IP Litigation	2023	\$1,185.00	7.90	\$9,361.50
Linda Yang	Associate	Corporate - M&A / Private Equity	2023	\$1,195.00	69.20	\$82,694.00
Cara Yi	Associate	Litigation - General	2023	\$1,025.00	59.30	\$60,782.50
Tyler Yoo	Associate	IP Litigation	2025	\$865.00	18.40	\$15,916.00
Mary Catherine Young	Associate	Restructuring	2023	\$1,195.00	103.80	\$124,041.00
Shaoyao Yu	Associate	IP Litigation	2022	\$1,295.00	7.60	\$9,842.00
Yun Zhang	Associate	IP Litigation	2023	\$2,210.00	52.50	\$57,396.50
Steven Soule	Of Counsel	Litigation - General	1995	\$1,245.00	2.20	\$2,739.00
Bill Arnault, P.C.	Partner	Litigation - General	2009	\$2,015.00	107.70	\$217,015.50
Zachary S. Brez, P.C.	Partner	Litigation - General	2000	\$2,465.00	0.50	\$1,232.50
John G. Caruso	Partner	Real Estate	1992	\$2,295.00	1.50	\$3,442.50
Paige S. Comparato	Partner	Litigation - General	2017	\$1,525.00	5.00	\$7,625.00
David Cummings	Partner	Litigation - General	2013	\$1,695.00	1.10	\$1,864.50
James B. Dickson	Partner	Corporate - Debt Finance	2013	\$1,815.00	11.00	\$19,965.00
Peter Evangelatos	Partner	IP Litigation	2018	\$1,525.00	26.90	\$41,022.50
Rob Fowler, P.C.	Partner	ECEB - Executive Compensation	1996	\$2,295.00	2.80	\$6,426.00
Susan D. Golden	Partner	Restructuring	1988	\$1,795.00	7.60	\$13,642.00
Jeffrey Ross Goldfine	Partner	Litigation - General	2016	\$1,745.00	56.40	\$98,418.00

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Nicole L. Greenblatt, P.C.	Partner	Restructuring	2003	\$2,595.00	111.00	\$288,045.00
Kate Hardey	Partner	Corporate - Healthcare	2003	\$2,175.00	3.00	\$6,525.00
Jackie Heffernan	Partner	ECEB – Labor / Employment	2017	\$1,725.00	1.30	\$2,242.50
Shayne Henry	Partner	Litigation - General	2014	\$1,695.00	82.30	\$139,498.50
George W. Hicks Jr., P.C.	Partner	Litigation - General	2006	\$2,125.00	56.90	\$120,912.50
Keli Huang	Partner	Corporate - M&A / Private Equity	2018	\$1,725.00	169.80	\$292,905.00
Derek I. Hunter	Partner	Restructuring	2017	\$1,735.00	105.60	\$183,216.00
Samantha Jones	Partner	Antitrust / Competition	2018	\$1,725.00	0.80	\$1,380.00
Kathleen Vera Kinsella	Partner	Litigation - General	2016	\$1,525.00	38.50	\$58,712.50
Nikhil Rama Krishnan	Partner	IP Litigation	2016	\$1,745.00	6.50	\$11,342.50
Kelsey Marie Laugel	Partner	Antitrust / Competition	2017	\$1,845.00	0.50	\$922.50
Melanie MacKay	Partner	Litigation - General	2010	\$1,695.00	107.00	\$181,365.00
Drew Maliniak	Partner	Corporate - Capital Markets	2019	\$1,725.00	26.50	\$45,712.50
Mark McKane, P.C.	Partner	Litigation - General	1999	\$2,265.00	70.20	\$159,003.00
Adam Mohamed	Partner	Corporate - Debt Finance	2019	\$1,725.00	11.10	\$19,147.50
Maureen D. O'Brien	Partner	ECEB - Employee Benefits	1998	\$2,295.00	17.30	\$39,703.50
Shawn OHargan, P.C.	Partner	Corporate - M&A / Private Equity	2007	\$2,295.00	124.70	\$286,186.50
Scott D. Price, P.C.	Partner	ECEB - Executive Compensation	1998	\$2,465.00	1.60	\$3,944.00
William T. Pruitt	Partner	Litigation - General	2004	\$1,895.00	3.90	\$7,390.50
John R. Rhine	Partner	IP Litigation	2013	\$1,745.00	52.90	\$92,310.50

Attorney Name	Position	Department	Date of Admission	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Scott Rolnik, P.C.	Partner	Corporate - Debt Finance	2014	\$2,175.00	15.20	\$33,060.00
Gregory B. Sanford	Partner	IP Litigation	2008	\$1,745.00	35.60	\$62,122.00
Joanna Schlingbaum	Partner	Technology & IP Transactions	2016	\$1,725.00	19.00	\$32,775.00
Anthony Vincenzo Sexton, P.C.	Partner	Taxation	2011	\$2,075.00	3.00	\$6,225.00
Matthew Sinclair-Thomson	Partner	Antitrust / Competition	2013	\$2,045.00	0.50	\$1,022.50
Josh Sussberg, P.C.	Partner	Restructuring	2004	\$2,595.00	21.00	\$54,495.00
Michael D. Thorpe	Partner	Antitrust / Competition	2010	\$1,845.00	11.90	\$21,955.50
Michael Leonard Urschel, P.C.	Partner	Corporate - Debt Finance	2008	\$2,465.00	1.00	\$2,465.00
Nicholas Warther	Partner	Taxation	2017	\$1,825.00	17.80	\$32,485.00
Amber L. Whipkey	Partner	Litigation - General	2002	\$1,295.00	41.90	\$54,260.50
Dennis Williams, P.C.	Partner	Corporate - Healthcare	2008	\$2,295.00	1.80	\$4,131.00
Total for Attorneys					5,820.20	\$7,678,145.00

**Summary of Hours by Paraprofessional Billed
From April 1, 2025 through April 30, 2025**

Paraprofessional Name	Position	Department	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Tamarrian Johnson	Junior Paralegal	Litigation - General	\$395.00	28.60	\$11,297.00
Julia F. Burnson	Paralegal	Restructuring	\$685.00	15.10	\$10,343.50
Uzo Dike	Paralegal	Litigation - General	\$705.00	52.50	\$37,012.50
Joshua King	Paralegal	Litigation - General	\$595.00	27.60	\$16,422.00
Robert Orren	Paralegal	Restructuring	\$685.00	0.30	\$205.50
Susan Zablocki	Paralegal	Technology & IP Transactions	\$705.00	14.30	\$10,081.50
Houston Gao	Support Staff	Litigation - General	\$560.00	16.30	\$9,128.00

Paraprofessional Name	Position	Department	Hourly Billing Rate In this Application	Hours Billed In this Application	Fees Billed In this Application
Henry Huang	Support Staff	Litigation - General	\$625.00	60.70	\$37,937.50
Mike Li	Support Staff	Litigation & Practice Tech	\$560.00	31.10	\$17,416.00
Sean Lopez	Support Staff	Litigation & Practice Tech	\$690.00	82.10	\$56,649.00
Leslie Tuffy	Support Staff	M&A Clearance	\$865.00	23.00	\$19,895.00
Total for Paraprofessionals				351.60	\$226,387.50
Total for Attorneys & Paraprofessionals				6,171.80	\$7,904,532.50

**Compensation By Project Category
From April 1, 2025 through April 30, 2025**

Matter Number	Project Category Description	Total Hours	Total Fees
1	Chapter 11	0.00	\$0.00
2	Adversary Proceedings & Contested Matters	189.90	\$283,652.50
3	Corporate, Securities, and Gov. Matters	69.50	\$107,618.00
4	Disclosure Statement / Plan / Confirmation	991.40	\$1,392,997.00
5	DIP Financing and Cash Collateral	58.50	\$90,214.50
6	Cash Management	4.10	\$4,791.50
7	Automatic Stay Issues	129.70	\$145,834.00
8	Asset Sales / Section 363 / Use, Sale, and Disposition of Property	1,260.20	\$1,729,669.00
9	Executory Contracts and Unexpired Leases	351.00	\$394,935.50
10	Business Operations	10.40	\$13,667.00
11	Claims Administration	60.70	\$80,627.00
12	Schedules and Statements (SOFAs)	1.70	\$2,256.50
13	Creditor and Stakeholder Communications	81.40	\$137,232.50
14	U.S. Trustee Matters and Communications	20.90	\$33,529.00
15	Hearings	58.60	\$96,684.50
16	Insurance and Surety Matters	17.30	\$26,959.50
17	Utilities	1.10	\$968.00
18	Tax Matters	51.00	\$71,807.00
19	Case Administration	155.90	\$195,940.50
20	Retention – K&E	87.50	\$100,649.50

Matter Number	Project Category Description	Total Hours	Total Fees
21	Retention – Non-K&E	45.70	\$50,283.50
22	Vendor Matters	51.60	\$57,729.00
23	Litigation	2,450.20	\$2,841,073.50
24	Non-Working Travel	14.80	\$28,063.00
25	Creditors' Committee Matters	5.20	\$10,920.00
26	Employee and Labor Matters	3.50	\$6,430.50
Total		6,171.80	\$7,904,532.50

Expense Summary

Expense	Vendor (if any)	Unit Cost (if applicable)	Amount
Local Transportation			\$1,218.40
Overtime Transportation			\$960.32
Overtime Meals - Attorney			\$1,205.94
Overtime Meals - Non-Attorney			\$40.75
Standard Copies or Prints	Kirkland & Ellis LLP	\$0.10	\$129.00
Color Copies or Prints	Kirkland & Ellis LLP		\$303.05
Outside Printing Services			\$0.00
Third Party Telephone Charges			\$0.00
Westlaw Research			\$8,079.28
Airfare			\$2,104.20
Transportation to/from airport			\$486.84
Travel Expense			\$3,344.44
LexisNexis Research			\$4,058.66
Computer Database Research - Soft			\$1,521.62
Document Services Overtime	Kirkland & Ellis LLP		\$0.00
Computer Database Research			\$1,266.20
Binding	Kirkland & Ellis LLP		\$0.00
Other Travel Expenses			\$76.00
Large Format Copy/Print			\$0.00
Overnight Delivery - Hard			\$0.00
Tabs/Indexes/Dividers			\$0.00
Travel Meals			\$285.07
Catering Expenses			\$0.00
Total			\$25,079.77

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

Obj. Deadline: July 24, 2025 at 4:00 p.m. (ET)
Hearing Date: *Only if Objections are Filed*

**THIRD MONTHLY FEE
APPLICATION OF KIRKLAND & ELLIS LLP
AND KIRKLAND & ELLIS INTERNATIONAL LLP, ATTORNEYS
FOR THE DEBTORS AND DEBTORS IN POSSESSION, FOR THE
PERIOD FROM APRIL 1, 2025 THROUGH AND INCLUDING APRIL 30, 2025**

Pursuant to sections 327, 330, and 331 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the *Order Authorizing the Retention and Employment of Kirkland & Ellis LLP and Kirkland & Ellis International LLP as Attorneys for the Debtors and*

The Reorganized Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Reorganized Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

Debtors in Possession Effective as of February 14, 2025, entered April 1, 2025 [Docket No. 1213] (the “Retention Order”), the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Estate Professionals*, entered December 6, 2024 [Docket No. 353] (the “Interim Compensation Order”), and the Local Rules for the United States Bankruptcy Court District of Delaware (the “Local Rules”), the law firm of Kirkland & Ellis LLP and Kirkland & Ellis International LLP (together, “K&E”), counsel for the above-captioned reorganized debtors (collectively, the “Reorganized Debtors”), hereby files this monthly fee statement (this “Monthly Fee Statement”) for: (a) compensation in the amount of \$6,323,626.00 (80% of \$7,904,532.50) for the reasonable and necessary legal services K&E rendered to the Reorganized Debtors from April 1, 2025 through April 30, 2025 (the “Fee Period”); and (b) reimbursement for the actual and necessary expenses that K&E incurred, in the amount of \$25,079.77 during the Fee Period.

Itemization of Services Rendered and Disbursements Incurred

1. In support of this Monthly Fee Statement, attached are the following exhibits:
 - **Exhibit A** is a schedule of the number of hours expended and fees incurred (on an aggregate basis) by K&E partners, associates, and paraprofessionals during the Fee Period with respect to each of the subject matter categories K&E established in accordance with its internal billing procedures. As reflected in **Exhibit A**, K&E incurred \$7,904,532.50 in fees during the Fee Period. Pursuant to this Monthly Fee Statement, K&E seeks reimbursement for 80% of such fees (\$6,323,626.00 in the aggregate).
 - **Exhibit B** is a schedule providing certain information regarding the K&E attorneys and paraprofessionals for whose work on these chapter 11 cases compensation is sought in this Monthly Fee Statement. Attorneys and paraprofessionals of K&E have expended a total of 6,171.80 hours in connection with these chapter 11 cases during the Fee Period.
 - **Exhibit C** is a schedule for the Fee Period, setting forth the total amount of reimbursement sought with respect to each category of expenses for which K&E is seeking reimbursement in this Monthly Fee Statement. All of these disbursements comprise the requested sum for K&E’s out-of-pocket expenses.

- **Exhibit D** consists of K&E's records of fees and expenses incurred during the Fee Period in the rendition of the professional services to the Reorganized Debtors and their estates.²

Representations

2. Although every effort has been made to include all fees and expenses incurred in the Fee Period, some fees and expenses might not be included in this Monthly Fee Statement due to delays caused by accounting and processing during the Fee Period. K&E reserves the right to make further application to the United States Bankruptcy Court for the District of Delaware for allowance of such fees and expenses not included herein. Subsequent fee applications will be filed in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Interim Compensation Order.

[Remainder Of Page Intentionally Left Blank]

² K&E has negotiated a discounted rate for Westlaw computer-assisted legal research. Computer-assisted legal research is used whenever the researcher determines that using Westlaw is more cost effective than using traditional (non-computer assisted legal research) techniques.

WHEREFORE, K&E requests allowance of its fees and expenses incurred during the Fee Period in the total amount of \$6,348,705.77 consisting of: (a) \$6,323,626.00, which is 80% of the fees incurred by the Reorganized Debtors for reasonable and necessary professional services rendered by K&E; and (b) \$25,079.77 for actual and necessary costs and expenses, and that such fees and expenses be paid as administrative expenses of the Reorganized Debtors' estates.

Dated: July 3, 2025
Wilmington, Delaware

/s/ Allison S. Mielke

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- and -

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Co-Counsel to the Reorganized Debtors

Co-Counsel to the Reorganized Debtors

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,¹

Reorganized Debtors.

Chapter 11

Case No. 24-12480 (LSS)

(Jointly Administered)

VERIFICATION OF JOSHUA A. SUSSBERG, P.C.

I, Joshua A. Sussberg, hereby declare the following under penalty of perjury:

1. I am the president of Joshua A. Sussberg, P.C., a partner of the law firm of Kirkland & Ellis LLP, located at 601 Lexington Ave., New York, N.Y. 10022, and a partner of Kirkland & Ellis International LLP (together with Kirkland & Ellis LLP, “K&E”). I am a member in good standing of the Bar of the State of New York, and I have been admitted to practice in the United States Court of Appeals for the Second and Fifth Circuits and the United States District Courts for the Southern District of New York and the Northern District of Illinois. I have been admitted *pro*

The Reorganized Debtors in these chapter 11 cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260), Franchise Group Newco BHF, LLC (4123), Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Reorganized Debtors' headquarters is located at 2371 Liberty Way, Virginia Beach, Virginia 23456.

hac vice in the above-captioned chapter 11 cases. There are no disciplinary proceedings pending against me.

2. I have personally performed many of the legal services rendered by K&E² as general bankruptcy counsel to the Reorganized Debtors and am familiar with all other work performed on behalf of the Reorganized Debtors by the lawyers and other persons in the firm.

3. The facts set forth in the foregoing Monthly Fee Statement are true and correct to the best of my knowledge, information, and belief.

4. I have reviewed rule 2016-1 of the Local Rules and believe that the Monthly Fee Statement for K&E complies with rule 2016-1.

5. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Respectfully submitted,

Dated: July 3, 2025

/s/ Joshua A. Sussberg

Joshua A. Sussberg
as President of Joshua A. Sussberg, P.C.,
as Partner of Kirkland & Ellis LLP; and
as Partner of Kirkland & Ellis International LLP

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the *Third Monthly Fee Application of Kirkland & Ellis LLP and Kirkland & Ellis International LLP, Attorneys For the Debtors and Debtors in Possession, for the Period from April 1, 2025 Through and Including April 30, 2025*.